



FILED

07-12-06
03:41 PM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFICORP (U 901 E), an Oregon Company, for Permit to Construct the Line 75 115kV Conversion Project Pursuant to General Order 131-D.

Application 05-12-011
(Filed December 13, 2005)

**SCOPING MEMO AND RULING OF
ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE**

Summary

This ruling and scoping memo (Scoping Memo) confirms certain rulings made at the June 20, 2006 Prehearing Conference (PHC), held in Weed, California. The Scoping Memo also sets forth the scope and schedule of the proceeding and lists certain procedural requirements.

On December 13, 2005, PacifiCorp filed an application for a Permit to Construct (PTC) a project that would increase the capacity of its transmission Line 75 in Weed, California (115kV Line Upgrade). There are several routing options being considered for the 115kV Line Upgrade. Additionally, Commissioner Brown issued a ruling (discussed below) that ordered PacifiCorp to amend its application to include the upgrade of the Weed Substation (Second Project).

Schedule

A. Hearings

There is a need for hearings in this matter. Although the forthcoming environmental review under California Environmental Quality Act (CEQA) will

address the pertinent environmental concerns and impacts of the proposed projects, we have decided that further evidentiary hearings are necessary in order to gather more information. These hearings will be held at the Weed City Hall Council Chambers, 550 Main Street, Weed, California 96094-0470 on September 19-20, 2006, from 9:00 a.m. to 4:00 p.m. Parties shall serve (but not file) written testimony in advance of the hearings. PacifiCorp's testimony shall be due 10 days before the first day of hearings, and other parties' rebuttal testimony shall be due five days before the first day of hearings.

B. CEQA Document

Commission General Order (GO) 131-D provides that in response to an application for a PTC, the Commission shall decide the proper level of review for the potential impacts of the project. After reviewing the Proponent's Environmental Assessment, the Commission must determine whether CEQA, Pub. Resources Code § 21000 et seq., applies.

In regard to the 115kV Line Upgrade, the Commission has decided that CEQA does apply and has contracted with Environmental Science Associates (ESA) to assist the Commission in conducting an environmental review under CEQA. The result will either be a Mitigated Negative Declaration (MND) or an Environment Impact Report (EIR), either of which we will call the "CEQA document" for the purposes of this Scoping Memo.

In the event that ESA's findings dictate that a MND best addresses PacifiCorp's project, the following represents the estimated timeline for the remainder of the proceeding. (However, if an EIR is needed, there will be an increase of at least one month - meaning the draft CEQA document will issue in early October 2006 at the earliest and all related dates will move back one month as well.)

If ESA receives all information necessary from PacifiCorp in a timely manner, the CEQA document is scheduled to issue in early September 2006. Then there will be a 30 day public comment period, ending in early October 2006. The Commission will then issue a revised CEQA document addressing the comments received shortly after the close of the comment period.

C. Proposed Decision by Administrative Law Judge (ALJ)

Once the revised CEQA document has been issued, the ALJ will issue her Proposed Decision (PD) within approximately 15 days or during the third week of October 2006.

D. Commission Vote

Following this tentative timeline, the earliest Commission meeting at which the PD for this proceeding may be considered and voted on is anticipated to be the November 30, 2006 meeting. This schedule allows adequate time to comply with the October 31, 2006 deadline to publish the PD to allow for a 30 day comment period prior to the Commission vote.

Event Schedule	
Event	Date
PacifiCorp's opening testimony served on all parties	10 days before the first day of hearings (September 8, 2006)
Other parties' rebuttal testimony served on all parties	Five days before the first day of hearings (September 14, 2006)

Event Schedule	
Event	Date
Hearings	September 19-20, 2006 9:00 a.m. – 4:00 p.m. Weed City Hall Council Chambers 550 Main Street Weed, CA 96094-0470
The Commission Issues Draft CEQA document ¹	Early September 2006
Comment Period	30 days following issuance of Draft CEQA document (approximately early September - early October)
The Commission Issues Revised CEQA document	Early October 2006
ALJ Issues PD	Third week of October
Commission Meeting Vote (earliest)	November 30, 2006

Scope of the Proceeding

A. Issues Pertinent to Scope of Proceeding

This proceeding shall analyze alternative routing options for the 115kV Line Upgrade, as well as examine the Second Project (substation upgrade for the Weed Substation).

(1) 115kV Line Upgrade Routing Options

The original proposal for the 115kV Line Upgrade set forth four alternative routes or configurations of the transmission line, of which the Commission has decided that Option 1 and Option 3 merit further study. Option 1 tracks the existing line along Highway 97 by placing both of the circuits on one pole between Weed Junction and Weed. Option 3 places the line across an open

¹ Add 30 days to all “CEQA document” dates if EIR rather than MND issues.

meadow north of Highway 97, along a route across Hoy Road to the Weed Junction Substation. The Commission's goal in this proceeding is to decide which option better deals with the growing load in the Weed area while also weighing concomitant community and environmental concerns.

The Mackintosh option (Option 5) was submitted as an alternative proposal to the four submitted by PacifiCorp. Option 5 proposed that the capacity of the transmission system be upgraded to 115kV and that another transformer be installed at the Weed Substation. Because Option 5 is technically feasible and the routing options of the 115kV Line Upgrade are controversial, we believe Option 5 should be studied for environmental impact in the event that the analysis done by ESA shows that the environmental impacts of Option 1 or Option 3 cannot be mitigated to less than significant.

Under GO 131-D, a PTC application does not require an analysis of the need for or cost of the project. Nonetheless, our precedent allows consideration of need and cost under some circumstances. D.04-12-020, *mimeo.* at 2 n. 2; D.04-07-027, *mimeo.* at 11. We find that the cost of the different routing options, as discussed elsewhere in this Scoping Memo, as well as how each route meets the needs of customers in the vicinity of the transmission lines, is relevant to this proceeding. Parties may inquire into cost and whether the proposed or alternate routes are necessary as configured at the hearing of this matter. They may also address the environmental impact of each route discussed in this scoping memo.

(2) Second Project

Commissioner Brown's "Ruling Regarding Piecemealing and Substations," filed June 5, 2006, addressed the proposed upgrades to the Weed Substation. Commissioner Brown concluded that it was necessary for the Commission to review the two transmission upgrade projects concurrently in order to assess the

true environmental impact posed by PacifiCorp's development plans since the Second Project was reasonably foreseeable in relation to the initial application for transmission upgrading. PacifiCorp has agreed to the simultaneous review of its proposed projects and will not appeal Commissioner Brown's ruling.

Category of Proceeding

The Commission preliminarily determined that this is a ratesetting proceeding for which hearings are required. The Commission invited objections to its initial categorization. No party expressed any objection. This ruling confirms that the proceeding is ratesetting, and that hearings are necessary. This ruling, only as to category, is appealable under Rule 6.4.

Principal Hearing Officer

Assigned Commissioner Brown has designated ALJ Sarah R. Thomas as the principal hearing officer. ALJ Thomas is authorized to modify the schedule and make procedural decisions as required to assure the fair and efficient conduct of the proceeding.

Service List

The service list for this proceeding is on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/A0512011_71464.htm. Parties should serve everyone, whether characterized as "appearance," "state service," or "information only," with all pleadings, prepared testimony, and other documents submitted to the Commission in connection with this proceeding. All documents shall be served by email in accordance with the Commission's electronic service rule, Rule 2.3.1, available at:

http://www.cpuc.ca.gov/PUBLISHED/RULES_PRAC_PROC/46095-02.htm#P341_33469.

Communications With Decision Makers (*Ex Parte* Communication)

In accordance with Rule 7(a)(1) and (c) of the Commission's Rules of Practice and Procedure, the ex parte rules applicable to ratesetting proceedings will apply here. These rules apply to all parties and witnesses.

Discovery Disputes

If the parties have discovery disputes they are unable to resolve by meeting and conferring, they should first raise these disputes with ALJ Thomas orally, at (415) 703-2310. She will then instruct the parties how to proceed.

IT IS RULED that:

1. The schedule and scope of this case are as set forth in this Scoping Memo unless subsequently modified by the Assigned Commissioner or Administrative Law Judge (ALJ).
2. ALJ Thomas is the principal hearing officer in this proceeding.
3. This ruling confirms the Commissioner's preliminary determination that the category of this proceeding is ratesetting and that hearings are necessary. This ruling, only as to category, is appealable under Rule 6.4.
4. The service list for this proceeding is on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/A0512011_71464.htm.
5. In accordance with Pub. Util. Code § 1701.3(c), ex parte communications are allowed but subject to restrictions. ALJ Thomas will not accept ex parte contacts related to the proceeding, except that contacts related to matters purely of a procedural nature are allowed. ALJ Thomas will copy the service list as practicable on all ex parte contacts of any nature.

6. Parties shall first contact ALJ Thomas orally regarding discovery disputes, and then follow any procedure she thereafter outlines.

Dated July 12, 2006, at San Francisco, California.

/s/ GEOFFREY BROWN

Geoffrey F. Brown
Assigned Commissioner

/s/ SARAH R. THOMAS

Sarah R. Thomas
Administrative Law Judge

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document is current as of today's date.

Dated July 12, 2006, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

***** SERVICE LIST *****

Last Update on 06-JUL-2006 by: SMJ
A0512011 LIST

***** APPEARANCES *****

Leonard Luiz
BARBARA LUIZ
4309 HOY ROAD
WEED CA 96094
(530) 938-2807
lenandbarbara@juno.com

Don Mackintosh
5322 HOY ROAD
WEED CA 96094
(530) 938-9648
donaldmackintosh@sbcglobal.net

Kyle La Londe
Attorney At Law
MYERS NAVE RIBACK SILVER & WILSON
555 12TH STREET, STE. 1500
OAKLAND CA 94607
(510) 808-2000
klalonde@meyersnave.com
For: Don and Judy Mackintosh

Cece L. Coleman
PACIFICORP
LLOYD CENTER TOWER
825 NE MULTNOMAH
PORTLAND OR 97232
(503) 813-6762
cece.coleman@pacificorp.com

Dennis Desmarais
PACIFICORP
700 NE MULTHOMAH STREET
PORTLAND OR 97232
(503) 813-6079
dennis.desmarais@pacificorp.com
For: PacifiCorp

Chris And Shell Pappas
5026 HOY ROAD
WEED CA 96094
(530) 938-1562
shellypapy@hotmail.com
For: PacifiCorp

Steven Henson
ROSEBURG FOREST PRODUCTS
PO BOX 680
WEED CA 96094
(530) 938-5725
steveh@rfpco.com
For: Roseburg Forest Products

William W. Westerfield Iii
Attorney At Law
STOEL RIVES LLP
770 L STREET, SUITE 800
SACRAMENTO CA 95814
(916) 447-0700
www.westerfield@stoel.com
For: PacifiCorp

William W. Westerfield
Attorney At Law
STOEL RIVES, LLP
770 L STREET, SUITE 800
SACRAMENTO CA 95814
(916) 319-4749
www.westerfield@comcast.net
For: PacifiCorp

***** STATE EMPLOYEE *****

John Boccio
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2641
jbx@cpuc.ca.gov

Sarah R. Thomas
Administrative Law Judge Division
RM. 5105
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2310
srt@cpuc.ca.gov

***** SERVICE LIST *****

**Last Update on 06-JUL-2006 by: SMJ
A0512011 LIST**

Sharon Ray
5015 HOY ROAD
WEED CA 96094
(530) 938-2691
For: Self

***** INFORMATION ONLY *****

Earl Wilson
City Administrator
CITY OF WEED
550 MAIN STREET, PO BOX 470
WEED CA 96094
(530) 938-5020
Wilson@ci.weed.ca.us

Doug Cover
ESA ENERGY & WATER
225 BUSH STREET, SUITE 1700
SAN FRANCISCO CA 94104
(415) 896-5900
dcover@esassoc.com

Sky Woodruff
KYLE LALONDE
Associate Attorney City Of Dublin
MEYERS, NAVE, RIBACK, SILVER & WILSON
555 12TH STREET, STE 1500
OAKLAND CA 94607-4095
(510) 808-2000
swoodruff@meyersnave.com

Jennifer Johnson
ESA ENERGY & WATER
225 BUSH STREET, SUITE 1700
SAN FRANCISCO CA 94104
(415) 896-5900
jjohnson@esassoc.com

Sibyl Walski
SOUTHERN SISKIYOU NEWSPAPERS
924 B N. MT. SHASTA BOULEVARD
MT. SHASTA CA 96069
(530) 926-5214
swalski@mtshastanews.com

Gregory S. Messer
1920 EDDY CIRCLE
MT. SHASTA CA 96067
(530) 926-0300
gmesser@expershare.com